

INSTRUCTIONS

No. 21-31361-08
10021

1. No single application for the auction of water from State lands shall include well sites located in more than one section of land.
2. This application will not be considered unless it is fully completed and all supplemental forms and information, including the hydrology report referred to in question 15, are completed and attached.
3. Attach additional pages, if necessary.
4. Filing fee of \$50.00 must be paid at the time this application is submitted.

ARIZONA STATE LAND DEPARTMENT
1624 West Adams

Phoenix, Arizona 85007

APPLICATION FOR THE COMMISSIONER TO AUCTION WATER FROM STATE LANDS

APPLICANT INFORMATIONI/we Cyprus Mines Corporation

(name)

of Post Office Box 245, Bagdad, Arizona 86321

(address)

do hereby make application for the auction of water under the lands hereinafter described, in accordance with the provisions of the law of the State of Arizona, the rules and regulations of the State Land Department, the provisions of the surface lease, easement or permit, and provisions of the Water Agreement.

Subdivision	Section	Township	Range	Acreage	County
SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$	29	14 $\frac{1}{2}$ N	8W	10	Yavapai
SW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	29	14 $\frac{1}{2}$ N	8W	10	Yavapai

1. State whether individual, partnership or corporation. corporation
2. If individual, state: Age n/a Sex Marital Status
3. If corporation, give State in which incorporated. Delaware
Is the corporation authorized to do business in Arizona? yes
4. If a partnership, state the names and addresses of each partner.
n/a
5. Would the rights under a Water Agreement be held in trust for anyone other than the applicant? no If yes, please attach a certified recorded copy of the trust agreement showing the name, address, age, citizenship and marital status of each beneficiary, principal or ward.

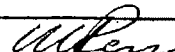
I hereby certify under the penalty of perjury, that the information contained and statements herein made are, to the best of my knowledge and belief, true, correct, and complete.

Dated this 15th day of March, A.D., 1986.

Cyprus Mines Corporation

Applicant

By



C.W. Reno

VP and General Manager

THE FOLLOWING IS NOT TO BE FILLED IN BY APPLICANT:

Fees Received: Receipt No. Recorded by:
Date of Contract Approved or denied by
Cause of Denial Date:

PDC000825

6. By this application, applicant applies for 46,250,800 gallons of ~~acre~~ ~~feet~~ of groundwater per year for the ten year period beginning October 7, 1986, and ending October 6, 1986 which if successful bidder at auction, the applicant proposes to use for domestic, municipal and industrial (purpose).

7. (a) The water will be removed by the use of the presently existing wells which are located on the State lands as follows:

Location	Sec.	Twp.	Rge.	Depth	Pump H.P.	Capacity
<u>SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$</u>	<u>29</u>	<u>14 $\frac{1}{2}$ N</u>	<u>8W</u>	<u>580'</u>	<u>20</u>	<u>70</u> g.p.m.
<u>SW $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$</u>	<u>29</u>	<u>14 $\frac{1}{2}$ N</u>	<u>8W</u>	<u>401'</u>	<u>8.5</u>	<u>18</u> g.p.m.
<u> $\frac{1}{4}$ $\frac{1}{4}$ $\frac{1}{4}$</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u> g.p.m.

- (b) Are the wells described in subsection (a) located on lands within an Active Management Area or an area designated as Irrigation Non-expansion (hereafter respectively "AMA" and "INA") as defined in the 1980 Groundwater Management Act (hereafter "Act")?

no

If so, indicate which AMA or INA: n/a

If applicable, is there a grandfathered water right associated with the groundwater sought to be purchased by reason of this application?
n/a

If so, what is the type and anticipated amount of grandfathered water rights? n/a

8. (a) If applicable, the sale of the water will require the following described new wells:

Location	Sec.	Twp.	Rge.	Depth	Pump H.P.	Capacity
<u> $\frac{1}{4}$ $\frac{1}{4}$ $\frac{1}{4}$</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u> g.p.m.
<u> $\frac{1}{4}$ $\frac{1}{4}$ $\frac{1}{4}$</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u> g.p.m.
<u> $\frac{1}{4}$ $\frac{1}{4}$ $\frac{1}{4}$</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u> g.p.m.

- (b) Will the wells described in Subsection (a) be located on lands within an AMA or INA? no

If so, indicate which AMA or INA: n/a

Will the drilling of any such wells and withdrawal of groundwater therefrom require the issuance of a groundwater withdrawal permit under the Act? no

Will any of the wells described in Subsection (a) be drilled and used as a replacement for any other well? no. If so, which is the replacement well: . Describe the well to be replaced and explain the need for its replacement:

9. The State lands from which the water is proposed to be withdrawn, and across which the water is to be transported, is subject to Lease Number 03-31360, issued to Cyprus Mines Corporation.

10. There are no known mineral claims, abandoned workings, minerals, oil, gas, fertilizer or fossils upon the land deferred to in questions 7, 8, 9 and

13 except: None

11. The presently existing improvements which are anticipated to be necessary for the withdrawal and transportation of the water, the public auction of which is sought hereby, include:

water well, casing, h.p. pump

water well, casing, h.p. pump

approx. 20' x 60' fence

and are owned by Cyprus Mines Corporation

12. The following described new improvements will be required in addition to the wells:

n/a

13. (a) The water will be used upon the following described lands:

Sub.	Section	Twp.	Rge.	County
NW <u>1/4</u> <u>xx</u> <u>xx</u>	<u>31</u>	<u>14 1/2 N</u>	<u>8W</u>	<u>Yavapai</u>
<u>1/4</u> <u>1/4</u> <u>1/4</u>				
<u>1/4</u> <u>1/4</u> <u>1/4</u>				

- (b) In transporting the water from the place of withdrawal to the place of use described in subsection (a) of this question, will the water be transported across basin or subbasin boundaries? NO

If yes, explain:

- (c) Are the lands described in subsection (a) located within an AMA or INA? no. If so, indicate which AMA or INA: _____

If applicable, is there a grandfathered water right associated with the land upon which the water is proposed to be used? n/a

If yes, what is the anticipated type and amount of the grandfathered water right? n/a

Are the lands described in Subsection (a) located within the service area of, or served by, any public or private water company or utility? No. If yes, explain: _____

Do the lands described in Subsection (a) qualify for water to be made available by reason of the Central Arizona Project? no. If yes, explain the type of qualification, by whom the water will be delivered and the amount of the present allocation of Central Arizona Project water to the person or entity to deliver the water:

14. Is applicant aware of any impediment to the withdrawal, transportation, or use of the groundwater as described in this application existing by reason of the Act or any other law which may affect the legality of the sale applied for herein? no

If yes, explain:

15. Attach a hydrology report which shows that the amount of water sought to be purchased is available.
16. Using the plat on the following page, identify the locations of whichever of the following are applicable:
- (a) Presently existing wells;
 - (b) Proposed new wells;
 - (c) Presently existing improvements other than wells;
 - (d) Proposed new improvements other than wells;
 - (e) Access routes, including description and dimensions;
 - (f) Basin or subbasin boundaries;
 - (g) Land upon which water is proposed to be used; and
 - (h) Land ownership.

If this application is approved and an auction is held, any resulting access route will be subject to the laws of the State of Arizona, the Rules and Regulations of the Department, the provisions and conditions contained in the Water Agreement, and the provisions and conditions contained in the appropriate surface lease, easement or permit which buyer must acquire from the Arizona State Land Department. Neither the making of this application, acceptance by the Arizona State Land Department of this application or filing fee, a water agreement nor subsequent issuance of any surface lease, easement or permit for withdrawal or transportation of the water purchases should be considered as an approval or suggestion of any kind whatsoever of an access route over any private, federal, Indian or other lands.

ACKNOWLEDGMENT

By the signature below, the applicant acknowledges and recognizes that neither the making of this application nor the acceptance by the Arizona State Land Department of this application or the filing fee submitted herewith in any way gives to or vests in the applicant any right or entitlement to any water or use of State land for which this application is made.

VERIFICATION

By signing this application, I/We hereby certify to the Department under penalty of perjury that the statements made and information contained in this application, and in all supplemental information attached hereto, are full, true, correct and complete to the best of my/our knowledge and (if applicable) further certify that I/We am/are legally authorized to make this application for and on behalf of the persons described herein.

DATED March 15, 1986

BY

C.W. Reno Signature(s)

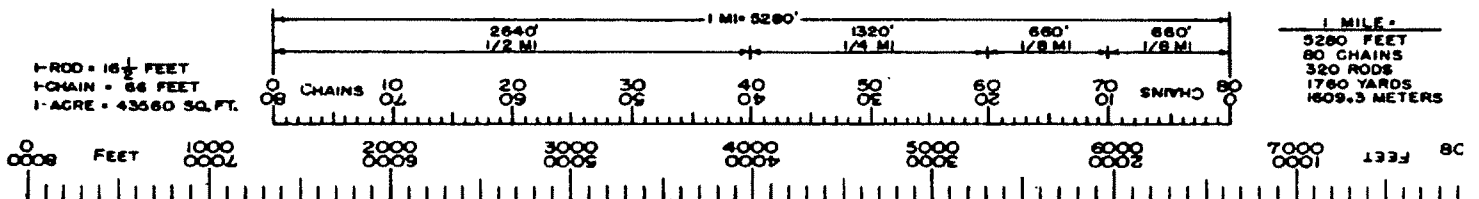
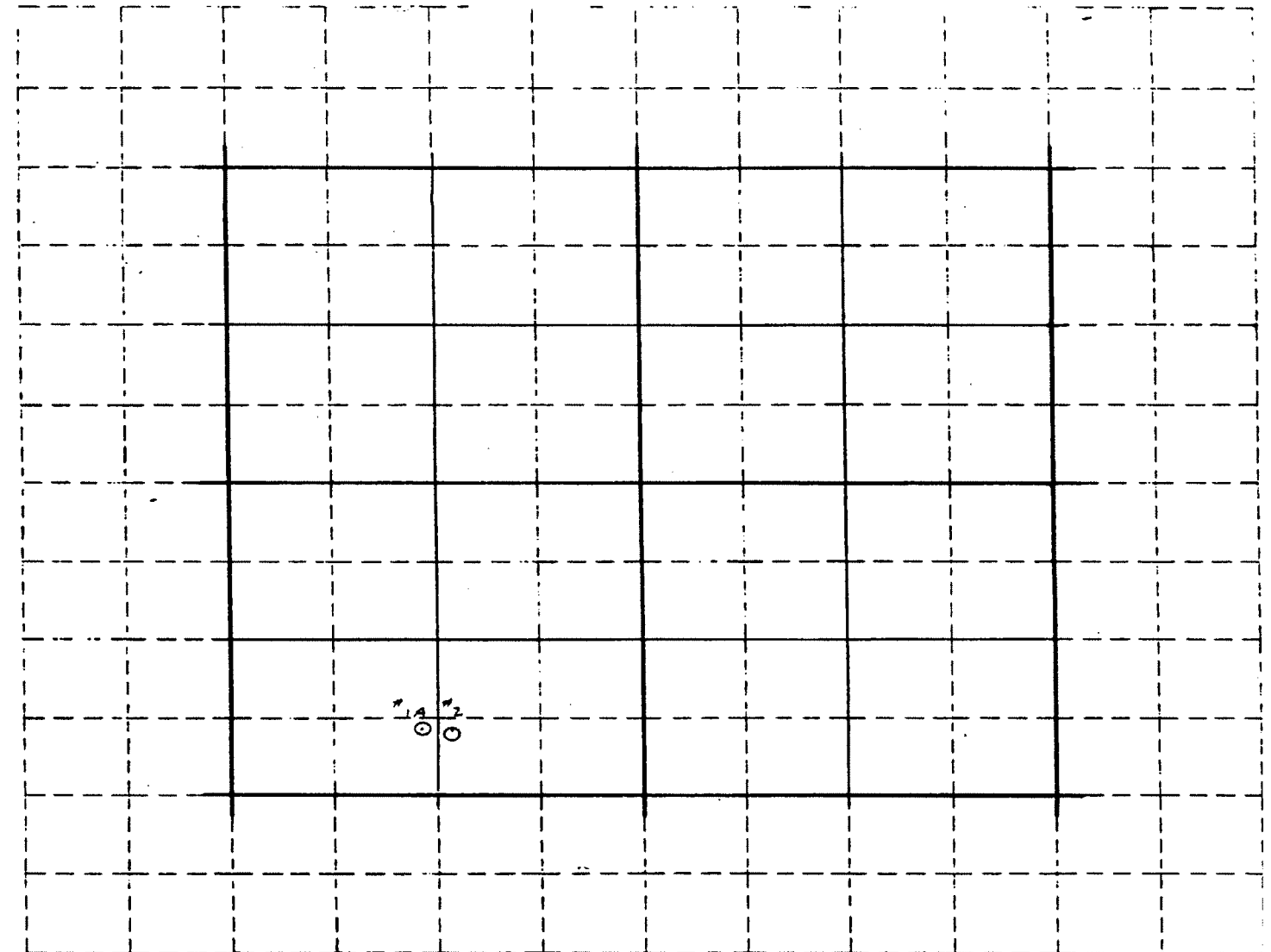
If applicant is other than individual, indicate:

VP and General Manager

(Title of person signing)

SEC 29 TWP 14½N
RGE. 8W

ARIZONA STATE LAND DEPT.



- | | | | |
|---------------------|---------------------|---------------------|---------------|
| ⊕ windmill | ⊕ elec. centrifugal | ○ abandon-open case | ◇ exploration |
| ⊕ elec. submersible | ⊕ liquid fuel | ⊗ abandon-capped | ∞ artesian |
| ⊕ elec. turbine | ⊕ natural gas | ● plugged | |

FOR DEPARTMENTAL USE ONLY

Received \$ _____ Date _____ By _____ Receipt No. _____

All following refer to Application No. _____ on the previous pages hereof.

APPRAISAL & DETERMINATION:

The Commissioner does hereby appraise the value of the water at \$ _____ PER ACRE FOOT (other unit _____) and establishes the minimum annual production to be _____ units.

Dated this _____ day of _____, 19 ____.

STATE LAND DEPARTMENT

STATE LAND COMMISSIONER

ORDER AUTHORIZING SALE:

The Department does hereby authorize the sale of the subject water according to the provisions of the law in such cases made, utilizing the values set forth above, with special conditions as follow:

Dated this _____ day of _____, 19 ____.

STATE LAND DEPARTMENT

STATE LAND COMMISSIONER

ORDER REJECTING APPLICATION AND DISSOLVING SALE:

The Commissioner and the Department being fully advised in the premises find that it is not in the best interest of the State of Arizona to sell the water described in the application on the reverse hereof.

THEREFORE IT IS ORDERED that the application is hereby denied and, where applicable, that the proposed sale thereof is hereby dissolved.

Dated this _____ day of _____, 19 ____.

STATE LAND DEPARTMENT

STATE LAND COMMISSIONER